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HEADLINE: Frost cuts work force in half

BYLINE: Dave Backman

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BODY:

The Frost Co. is turning off the spigot on its plumbing and industrial divisions and cutting its work force of 85 people by more than half.

Both of the divisions have been a steady drain on the profitable side of the fourth-generation, family-owned business--the manufacturing of fixtures for in-ground swimming pools and spas, said John Frost Jr., company president.

Frost Co., which was founded by his great-grandfather, Walter J. Frost, has been making plumbing fixtures since the company's inception in 1902.

"When you have divisions that are losing money and you have a division that is making money and the losers are pulling down the rest of the business, the decision is a little easier to make," Frost said.

Frost Co. has a 40 percent market share in the manufacturing of pool handrails, ladders, lifeguard chairs, diving towers and related equipment.

On May 9, 47 jobs will be eliminated. The employees' service time with the company ranges from 12 to 21 years. Layoffs will be based on seniority. Twelve of the 47 workers already are on layoff status.

John Frost said the company will negotiate a mass-layoff package with the three united Paperworkers International Union Local 7019; the International Association of Machinist & Aerospace Workers Lodge 34, and the Metal Polishers, Buffers, Platers and Allied Workers International Union Local 45.

Workers were notified on the downswing during meetings at the plant sizing Thursday.

"It is recognized that this decision is distressing and may have an adverse short-term effect on many of the dedicated Frost Co. employees, suppliers and loyal plumbing and industrial customers," Frost said. "This change is painful but necessary. The company believes that by directing all its future efforts into the established, profitable and growing market areas, that its financial soundness and the continued employment of its workers will be attainable."

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Local 45, with about 40 members at the Frost Co., will shoulder the brunt of the layoffs. Stan Frank, the union's internal representative, said the cutback, while not surprising, was deeper than employees expected. "If there's anything the company and union can do to revive that situation, we will try to work with them," he said.

Positions being eliminated are in production, production control, tool and die making, buffing and polishing, machining and data entry.

Frost said the company is trying to sell plumbing manufacturing equipment and the Frost license on plumbing fixtures, notably tubular "P" traps used under sink and bathtubs. The company also will attempt to lease the vacated manufacturing space.

In the industrail division, Frost Co. will continue to manufacture stainless steel rims for sinks.

Making brass plumbing fixtures has been a losing proposition as the market switched overwhelmingly to plastic, Frost said. U.S. plumbing manufacturers additionally face strong competition from foreign competitors.

Frost Co. needs to increase prices on plumbing fixtures to cover production costs, he said. "But why would someone pay more for our product when they could buy it from somebody else cheaper?

"And, admittedly, we have not fully kept up with technology in the plumbing and industrial divisions because their lack of profitablilty. The pool division is much closer to state-of-the-art.

The company has filed a 60-day, mass-layoff notice with state Department of Industry, Labor and Human Relations. Federal Trade Readjustment Act benefits will be sought for the laid-off workers.

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